

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6740**

**BILL NUMBER:** SB 163

**NOTE PREPARED:** Dec 21, 2005

**BILL AMENDED:**

**SUBJECT:** Annual Insurer Disclosure.

**FIRST AUTHOR:** Sen. Paul

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill requires a property and casualty insurer to annually disclose certain information to a policyholder.

**Effective Date:** July 1, 2006.

**Explanation of State Expenditures:** Because the state is self-insured, the state does not purchase property and casualty insurance. Consequently, the bill would have no impact on the state relative to state expenditures for insurance.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** Requiring property and casualty insurers to annually disclose certain information to a policyholders will result in an increase in administrative expenses for insurers. The impact will in part depend on the extent to which insurers are currently providing the information. School corporations and other local units do purchase property and casualty insurance, although statewide total expenditures for insurance are not known. The effect, if any, that the proposal would have on local expenditures is indeterminable, but would depend on the extent to which increased administrative expenses for insurers are passed on to local units.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** School corporations and other local units that purchase property and casualty insurance.

**Information Sources:**

**Fiscal Analyst:** Bernadette Bartlett, 317-232-9586.